

IOWA DEPARTMENT OF
INSPECTIONS & APPEALS

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Nursing Homes No Longer Need a License to Offer Bingo to their Residents

DES MOINES, IOWA -- Nursing homes and senior citizen centers that are exempt from federal income taxes will soon be able to offer bingo to their residents and clients without obtaining a Social and Charitable Gambling License from the Iowa Department of Inspections and Appeals (DIA). Under new rules adopted by the Department, certain non-profit organizations – including those that provide a religious, educational or charitable purpose or promote community welfare – can offer bingo on a regular basis to their constituents without violating Iowa’s charitable gambling laws and DIA’s regulations, Director Steve Young said.

Young said the new rules, which take today (Wednesday, January 14, 2004), stipulate that the non-profit organizations exempt from the bingo licensing regulations must meet the following four requirements:

1. Individuals playing bingo cannot be charged to enter the premise where bingo is conducted;
2. Individuals playing bingo cannot be charged to play the game;
3. Prizes awarded to bingo players must be donated; and
4. The bingo game is conducted as an activity and not for fundraising purposes.

“It’s not uncommon for nursing homes in Iowa to offer bingo to their residents as a social activity,” the Director said. “Under our new rules, the nursing home will no longer be required to get a bingo license in order to provide this activity.”

The Department rewrote its administrative rules regulating bingo after legislation was enacted last year exempting the non-profit organizations from licensing requirements. The bill, sponsored by DIA, carved out an exemption for those organizations not actively using bingo as a fundraising activity, Young added. “Clearly, it was probably never the intent of the Legislature to impose a licensing fee on those organizations that offer bingo as an amusement or social activity.”

“Iowa nursing homes and senior citizen centers do not offer bingo to their residents and clients as a fundraising mechanism,” the Director continued. “Nursing homes and other non-profit organizations can now provide this entertainment without worrying about licensing and reporting requirements.”

Under Iowa law, charitable non-profit organizations may conduct bingo and other social gambling activities if they first obtain a license from DIA. The cost of a two-year qualified organization license is \$150 and authorizes the licensee to conduct bingo, raffles and small games of skill or chance as a fundraising tool. The Department’s Social and Charitable Gambling Unit oversees the licensing and regulation of all non-profit gambling activities in the state. Annually, the Unit issues more than 2,500 licenses to qualified organizations statewide.

For more information about Iowa’s bingo and raffle regulations or the new bingo rule, contact the Department’s Social and Charitable Gambling at 515-281-6848. Charitable gambling information, as well as the license application are available from the DIA web site at www.state.ia.us/government/dia.